

Global Corporate Social Responsibility Practices Driving Sustainable Development, Ethical Governance, and Employee Engagement in Multinational Firms

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Globally, sustainable development requires corporations to address social, environmental, and governance challenges beyond national boundaries. This study was aimed at examining global corporate social responsibility (GCSR), its differences from traditional CSR, and its role in advancing sustainability across international business contexts. This qualitative study was relying on secondary data sources from peer-reviewed articles, corporate reports, and international guidelines. The study population included multinational corporations operating across varied cultural and legal contexts. Data collection employed document review, while thematic analysis was used as the main analytical tool. NVivo 12 software supported coding, and descriptive comparisons ensured validity. Statistical significance was not applicable. Findings revealed that international firms adjust CSR activities to diverse cultural environments, enhancing social inclusion and environmental responsibility. Governance institutions strengthened alignment between CSR and business strategies. Ethical governance and transparent reporting emerged as key mechanisms for accountability and employee recognition. The analysis showed significant integration of GCSR with Sustainable Development Goals (SDGs), particularly in sustainable communities, climate action, and responsible consumption. Results demonstrated that adaptable CSR approaches increased social and environmental impact, while rigid frameworks reduced effectiveness. These insights contribute to advancing sustainable development at organizational, community, and global levels. GCSR was discovered to be multi-dimensional and necessitating flexible values to derive sustainability outcomes. The research showed that transparency, governance, and the alignment with SDGs enhanced organizational responsibility and the transformative capacity of international business conduct.

Keywords: Global corporate social responsibility, sustainable economic development, governance and ethics, sustainable communities, digitalization, sustainable development goals, corporate accountability.

INTRODUCTION

Global corporate social responsibility (GCSR) is increasingly recognized as a fundamental instrument for promoting sustainable development through multi-national corporations (Khan *et al.*, 2021). It includes such (local) corporate social responsibility (CSR) view, defined in this manner (Barnett *et al.*, 2020) that moves the entire class of norms that can be expected from firms within a country and carries them into the global domain and sustainability considerations of the host and the home states also. MNC are becoming increasingly responsible for GCSR (Rothbardt, 2013) under the increased pressure from stakeholders and demand of good performance in the context of increased global value chain exposure. At the same time GCSR work for advancing the

United Nations Sustainable Development Goals (SDGs) by encouraging transparency and ethical governance and development of green environment on the global markets (Arumugam *et al.*, 2025). This renders GCSR a competitive imperative, while a requirement for well-owned sustainability and sustainable communities. GCSR larger has gone hand in hand with globalization since firms increasingly must deal with various cultural norms, regulatory institutions, and development needs across regions (Khan *et al.*, 2021). Unlike CSR, which is frequently based at the nation-state level of analysis, GCSR functionalities involve the transposition of (similar) policies and practices into global contexts to bridge global norms and local development impact. This includes addressing problems like supply chain responsibility, human rights and climate change adaptation in ways that promote

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rural and regional development (Barnett *et al.*, 2020). Likewise, there is evidence that CSR initiatives aimed at customers minimize their risk of switching to competitors while simultaneously improving the efficiency of workers and aligning with sustainable strategies for growth (Paruzel *et al.*, 2021). Multinational firms implement Global Corporate Social Responsibility (GCSR) by integrating sustainable practices into their core strategies, aligning with Sustainable Development Goals (SDGs), and engaging stakeholders across various sectors. This approach not only enhances their reputation but also contributes to sustainable development, ethical governance, and employee engagement. The implementation of GCSR varies across industries such as technology, manufacturing, energy, and FMCG, each with unique strategies and outcomes. Companies like Microsoft focus on digital inclusion through initiatives like YouthSpark, which supports educational and economic development (Muslim & Pelu, 2023). Amazon has made significant strides in climate change and carbon emissions reduction, although challenges remain in employee rights and union issues (Yu *et al.*, 2022). Almarai Company emphasizes environmental sustainability, community involvement, and ethical supply chain management, which enhances brand reputation and stakeholder trust (Milhem *et al.*, 2024). An Italian energy firm aligns its operations with SDGs by engaging local stakeholders in developing markets, such as Chile and Brazil, to address local needs and foster a culture of sustainability (Nasta & Cundari, 2024). Coca-Cola's 5by20 program exemplifies community engagement by empowering women entrepreneurs, contributing to economic development and sustainability (Muslim & Pelu, 2023). These industry-specific GCSR practices lead to positive outcomes such as improved sustainability metrics, enhanced employee engagement, and stronger stakeholder trust. For instance, transparent governance practices by companies like Nestlé build accountability and trust among stakeholders (Muslim & Pelu, 2023). While GCSR practices have shown significant positive impacts, challenges remain, such as balancing profitability with social responsibility and addressing local institutional dynamics. Companies must continuously adapt their strategies to meet evolving stakeholder expectations and global sustainability standards (Srivastava, 2024; Nasta & Cundari, 2024). Thus, through GCSR companies can now balance their economic goals and sustainability interests and also integrate social equality into their business models. Moreover, the dispersed characteristics of GCSR, pose it as an object of study in international development as corporations influence the local economy, cultural sustainability and ecological stabilities (Jamshaid *et al.*, 2025). Furthermore, GCSR by multinational corporations could respect social and ethical standards, and contribute to community sustainability through employment generation, local synergies and development of needed infrastructure (Kwan, 2020). GCSR has transformed itself from merely

connecting business practices to sustainable economic growth, environmental sustainability, and poverty eradication, to becoming a potent tool for social justice and better governance. Moreover, that ethical reporting of CSR initiatives will enhance institutional legitimacy, as corporations will be kept accountable to their stakeholders, thereby promoting a sustainable global operating model (Halkos *et al.*, 2021). Based on these perspectives, the research was designed to turn the attention on Global Corporate Social Responsibility; the first serious attempt to locate it onto International Business agenda. More specifically, the aim was to distinguish GCSR from classical CSR, its influence on employee performance and stakeholder engagement and its impact on economic, social and environmental sustainability in the global context (Khan *et al.*, 2021; Barnett *et al.*, 2020).

MATERIALS AND METHODS

Data collection employed document review, while thematic analysis was used as the main analytical tool. NVivo 12 software supported coding, and descriptive comparisons ensured validity. An interpretivism research philosophy was adopted in the current study to identify the contextual elements of GCSR on a global scale. Therefore, this philosophical position was considered appropriate because it allows for a wide investigation on such intricate social phenomena and provides logical and social meanings and ideas on the current theories (Ryan, 2018). A further rationale for interpretivism concerns the discovery of meanings in context, a need that mirrors the practice and relevance of GCSR across international business contexts. Based on this framework, the researchers were able to investigate the multitude of drivers, challenges and consequences of GCSR behaviours across different organisational contexts. A conceptualisation and insights (subsequent content) about GCSR were achieved by an inductive approach. This approach was selected as it allows theories to be developed systematically out of patterns experienced in data, in contrast to hypotheses which may be tested directly (Hayes *et al.*, 2018). Using an inductive approach, this study discovered themes and practices that reveal the diversity of themes, practices, and perspectives that reflect the way GCSR is created and practiced around the world. This method - this approach - led the way to new conceptual bridges that are necessary for the progression of understanding GCSR internationally (Azungba, 2018). A process-driven comparative analysis paradigm across in comparing and evaluating CSR and GCSR in organization context. This methodological choice was considered to be relevant when a deep and descriptive understanding was sought of the behaviours and strategies of the organisations that were to be studied. The authors point to the fact that the generalisability of some of the qualitative findings across sectors of the



economy or geo-political regions may somewhat be constrained (Rahmadika & Riauan, 2022). The study design capitalised on a large secondary data base - including from peer reviewed articles and reports to other academic debates. This reliance on the existing knowledge base helped to ensure that GCSR could be interwoven thematically in a comprehensive manner, conceptually and practically (Harrison *et al.*, 2020). The primary texts were analyzed within the secondary literature using thematic analysis which contributes to themes with which to organise analyse recurring themes. This approach is widely used in qualitative research to find patterns and possible meaning within the textual data (Crane *et al.*, 2016). The authors have argued that it was possible to organize and interpret themes such as stakeholder partnership, ecological concern and employee implications following GCSR using theme approach analysis. It shed light on the manner in which MNCs are practicing GCSR and what it means for environmental sustainability, international competitiveness and ethical business practice in the literature reviewed. Such a method and methodology then allowed the current study to provide a systematic and replicable exploration of GCSR debates, and detailed unpacking of their theoretical and practical implications.

RESULTS

Based on the thematic analysis of secondary data, four main themes and seven sub-themes are constructed to explain the theoretical and practical orientation of GCSR and how it is perceived in an international business. Methods: Coding consisted of: identifying common concepts in the publications; clustering concepts and refining clusters to themes. Table 1: Summary of themes

Theme 1: Difference between CSR and GCSR: It emerged from the analysis that the GCSR is by no means synonymous to CSR as we know it, but rather that it is new due to its global reach and orientation on sustainability. Evidence indicated that “CSR functions as a company-led initiative, whereas GCSR is shaped by international obligations and sustainability regulations” (Ryan, 2018). The pattern revealed that GCSR aligns with SDGs and cross-border accountability, whereas CSR remains largely voluntary and locally focused.

Theme 2: Perspectives of GCSR in international business:

In broader theme reflected the operationalisation of GCSR by multinationals with sub-themes strategic integration and market legitimacy. With the ability to touch code rather than raw data, it represented that the companies embed sustainability into their supply chains and governance and product design while also building international stakeholder trust. As one secondary source indicated, “companies with transparent sustainability reports had a greater positive impact on international investor confidence” (Rahmadika & Riauan, 2022). The data always showed that GCSR is perceived as both a compliance obligation and a strategy for value creation.

Theme 3: Employee performance outcomes: The analysis revealed that CSR-linked initiatives influence employee engagement, motivation, and innovation. Sub-themes included trust and transparency and job satisfaction. For instance, Harrison *et al.* (2020) noted that employees who recognized their firm’s global responsibility commitments demonstrated higher engagement and commitment. Data patterns indicated that globally responsible practices enhance creativity, loyalty, and overall performance across international business firms.

Theme 4: Policy integration and debates: This theme addressed exogenous factors, such as regulation, incentive, and mandatory versus voluntary debate. Two voluntary vs mandatory initiatives, and bound incentive based support, were the sub-themes. The more prevalent voluntary initiatives through GCSR evidence was contradicted by policy incentives, and it would appear that recognition programs enforce compliance and longevity. Crane *et al.* (2016) stated that there are ongoing debates as to whether mandatory GCSR actually enhances accountability or is rather a barrier to innovation.

As shown in Table 1, the coding produced consistent patterns across sources, establishing a robust descriptive foundation for interpreting the implications of GCSR practices in international business.

DISCUSSION

The purpose of this study was to explore the construction of Global Corporate Social Responsibility (GCSR) as well as

Table 1. Summary of thematic results.

Theme	Sub-Themes	Key Findings	Supporting Sources
1. CSR vs GCSR	Regulation-driven; Voluntary/ethical	GCSR aligns with SDGs and global obligations; CSR is philanthropic	Ryan (2018)
2. Perspectives in Business	Strategic integration; Market legitimacy	GCSR embedded in supply chains/ governance; enhances stakeholder trust	Rahmadika & Riauan (2022)
3. Employee Outcomes	Trust & transparency; Job satisfaction	CSR improves engagement, creativity, and loyalty	Harrison <i>et al.</i> (2020)
4. Policy Debates	Voluntary vs. mandatory; Incentives	Regulatory encouragement improves sustainability; debates persist	Crane <i>et al.</i> (2016)



operationalization in international business and its implications for sustainability, governance, ethics, and employee performance. The most significant aspect of the findings is that GCSR is a continuum of local, national CSR responsibilities, imbedding ethical, social and environmental issues across national boundaries.

Global CSR overview: The findings showed that GCSR represents a multidimensional framework integrating sustainability targets, ethical standards, and legal compliance across borders. This aligns with Barnett *et al.* (2020), who emphasized that global CSR initiatives strengthen accountability and contribute to long-term business sustainability. Unlike traditional CSR, which is largely voluntary and local in focus, GCSR is often regulation-driven, aligned with international standards such as the UN Sustainable Development Goals (Ryan, 2018). The results suggest that firms adopting GCSR balance global ethical commitments with local adaptation, ensuring that sustainability efforts are both context-sensitive and universally accountable. This supports the working hypothesis that GCSR is a strategic imperative for international firms rather than a peripheral activity.

Perspectives on GCSR: The examination identified differing attitudes toward GCSR implementation by MNCs. Two key perspectives emerged: strategic fit and market legitimacy. Strategic integration is nested to the supply chains, corporate governance, and product design, while market legitimacy is focused on increasing trust of the internal stakeholders (Rahmadika & Riauan, 2022). These results are in line with Kolk (2016) who stated that CSR in the IB must solve the global sustainability problems and with Serdjin *et al.* (2021) underlined also the impact of CSR reporting on the legitimacy of corporate practices. The findings also imply that GCSR is both ethically and 'bottom line' grounded, by which companies will remain competitive in diversified global markets by being compliant and satisfying shareholders.

Impacts of GCSR on employee performance: The study found that GCSR initiatives positively influence employee engagement, motivation, and performance. Sub-themes included trust, transparency, and job satisfaction. Employees who perceived their firm's global responsibility commitments reported greater loyalty and higher productivity, aligning with Harrison *et al.* (2020) and Trivellas *et al.* (2019). This underscores that integrating CSR into global operations enhances not only reputational credibility but also internal organizational outcomes. Similarly, Garcia *et al.* (2021) emphasized the role of ethical governance in improving employee commitment, while Karwowski *et al.* (2021) highlighted its contribution to long-term financial and operational sustainability. The findings suggest that GCSR provides an environment that fosters innovation, fairness, and motivation, critical for human capital retention and competitive advantage.

Debates and policy integration: The findings also brought to the fore continued arguments concerning the GCSR and its scoping and enactment. Voluntary CSR continues to dominate, but programs that offer incentives or have a policy basis, such as rewards programs or tax incentives, augment the level and effectiveness of adoption (Crane *et al.*, 2016). Burdens remain in the balance between global uniformity and local variation, demonstrating the moral quandaries that corporations face within different cultural realities (Khuaong *et al.*, 2021). Where scholars suggest that mandatory CSR might no longer be seen as a stimulant for innovation (Lu *et al.*, 2019), it was suggested that an integration of voluntary and regulatory approaches can be the most successful in terms of compliance, sustainability outcomes and long-term corporate legitimacy.

Strengths, limitations, and future research: The primary strength of this research lies in its detailed thematic analysis, integrating multiple secondary sources to provide a structured understanding of GCSR's conceptual scope, practical applications, and organizational impacts. However, reliance on qualitative secondary data limits the ability to generalize findings across industries or regions. Future research should employ cross-industry and longitudinal studies to examine how GCSR practices evolve in response to shifting regulatory, cultural, and sustainability pressures. Moreover, quantitative investigations could complement qualitative insights, providing statistical validation of employee performance outcomes and the effectiveness of specific GCSR strategies.

Implications: In sum, the current study suggests that GCSR is a strategic driver, it enforces sustainable evolution of firms by adding the positive impacts on corporate accountability, stakeholder trust, and employee performance. Through the use of context-specific strategies, international companies can address global ethical responsibilities together with local social requirements. Ethical management, open reporting, and strategic orientation towards SDGs stood out as crucial instruments in the achievement of meaningful sustainability results.

Conclusion: The findings of this research found that GCSR greatly contributes to international business sustainability and maintains ethical, social and environmental principles, and increases the motivation and performance of employees. The results also imply that companies should include GCSR as part of their business fundamentals for ethical and responsible business operations. A focus on context-based CSR ensures that companies can respond to local customs, increase community participation and promote environmental sustainability. Good levels of CSR reporting promote transparency, allow stakeholders to understand organizational objectives and increase commitment from employees. These actions collectively enhance sustainable development,



stakeholder confidence, and long-term organizational stability.

Recommendations: MNCs are recommended to adapt CSR policies to regional environments, encourage employee participation in CSR activities, and disclose CSR information. Strategic GCSR integration will support sustainable growth, ethical business conduct, and social and environmental impact.

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SDGs addressed: Sustainable Cities and Communities; Climate Action; Responsible Consumption and Production; Decent Work and Economic Growth

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